

ORIGINAL



0000093987

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

COMMISSIONERS

Arizona Corporation Commission

DOCKETED 2009 FEB 24 A 9:36

KRISTIN K. MAYES, Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

FEB 24 2009

AZ CORP COMMISSION  
DOCKET CONTROL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF  
EHRENBURG IMPROVEMENT ASSOCIATION  
FOR A RATE INCREASE.

DOCKET NO. W-02273A-08-0251

RATE CASE  
PROCEDURAL ORDER

**BY THE COMMISSION:**

On May 15, 2008, Ehrenberg Improvement Association ("EIA" or "Company") filed the above-captioned rate application with the Arizona Corporation Commission ("Commission").

On June 16, 2008, and on August 14, 2008, the Commission's Utilities Division ("Staff") notified the Company that its application was not sufficient under the requirements of the Arizona Administrative Code.

Between June 12, 2008, and January 20, 2009, EIA filed several corrections and amendments to its application.

On February 6, 2009, Staff notified the Company that its rate application was sufficient, and classified the Company as a Class C utility.

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this Class C utility rate case proceeding.

IT IS THEREFORE ORDERED that the hearing in the above-captioned matter shall commence on **August 31, 2009, at 10:00 a.m.**, or as soon thereafter as is practicable, at the Commission's offices, 1200 W. Washington Street, Room 100, Phoenix, Arizona 85007.

IT IS FURTHER ORDERED that the **Staff Report** and/or any direct testimony and associated exhibits to be presented at hearing **on behalf of Staff** shall be reduced to writing and filed on or before **July 6, 2009**.

IT IS FURTHER ORDERED that any **direct testimony** and associated exhibits to be presented

1 at hearing **on behalf of intervenors** shall be reduced to writing and filed on or before **July 6, 2009**.

2 IT IS FURTHER ORDERED that any **response to the Staff Report** or rebuttal testimony to  
3 be presented at hearing at the hearing on behalf of Ehrenberg Improvement Association shall be  
4 reduced to writing and filed on or before **July 29, 2009**.

5 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be  
6 presented at the hearing by the Staff and by intervenors shall be reduced to writing and filed on or  
7 before **August 12, 2009**.

8 IT IS FURTHER ORDERED that any **rejoinder testimony** and associated exhibits to be  
9 presented at the hearing on behalf of Ehrenberg Improvement Association shall be reduced to writing  
10 and filed on or before **August 24, 2009**.

11 IT IS FURTHER ORDERED that any **objections** to testimony or exhibits that have been  
12 prefiled as of August 24, 2009, shall be made on or before **August 27, 2009**.

13 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to  
14 prefiled testimony, with the exception of rejoinder testimony, shall be reduced to writing and filed no  
15 later than five calendar days before the witness is scheduled to testify. Substantive corrections,  
16 revisions, or supplements to prefiled rejoinder testimony shall be reduced to writing and presented on  
17 the first day of hearing.

18 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,  
19 except that **all motions to intervene must be filed on or before May 29, 2009**.

20 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and  
21 regulations of the Commission, except that until **July 30, 2009**, any objection to discovery requests  
22 shall be made within 7 calendar days of receipt<sup>1</sup> and responses to discovery requests shall be made  
23 within 10 calendar days of receipt. Thereafter, objections to discovery requests shall be made within  
24 5 calendar days and responses shall be made within 7 calendar days. The response time may be  
25 extended by mutual agreement of the parties involved if the request requires an extensive compilation  
26 effort.

27 \_\_\_\_\_  
28 <sup>1</sup> The date of receipt of discovery requests is not counted as a calendar day, and requests received after 4:00 p.m. MST  
will be considered as received the next business day.

1 IT IS FURTHER ORDERED that for discovery requests, objections, and answers, if a  
2 receiving party requests service to be made electronically, and the sending party has the technical  
3 capability to provide service electronically, service to that party shall be made electronically.

4 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel  
5 discovery, any party seeking resolution of a discovery dispute may telephonically contact the  
6 Commission's Hearing Division to request a date for a procedural hearing to resolve the discovery  
7 dispute; that upon such a request, a procedural hearing will be convened as soon as practicable; and  
8 that the party making such a request shall forthwith contact all other parties to advise them of the  
9 hearing date and shall at the hearing provide a statement confirming that the other parties were  
10 contacted.<sup>2</sup>

11 IT IS FURTHER ORDERED that any motions which are filed in this matter and which are  
12 not ruled upon by the Commission within 20 calendar days of the filing date of the motion shall be  
13 deemed denied.

14 IT IS FURTHER ORDERED that any responses to motions shall be filed within five calendar  
15 days of the filing date of the motion.

16 IT IS FURTHER ORDERED that any replies shall be filed within five calendar days of the  
17 filing date of the response.

18 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in  
19 this matter, in the following form and style with the heading in no less than 14-point bold type and  
20 the body in no less than 10-point regular type:

21 **PUBLIC NOTICE OF HEARING ON THE**  
22 **RATE APPLICATION OF EHRENBURG IMPROVEMENT ASSOCIATION**  
**Docket No. W-02273A-08-0251**

23 On May 15, 2008, Ehrenberg Improvement Association ("EIA" or "Company") filed  
24 the above-captioned rate application with the Arizona Corporation Commission  
25 ("Commission") requesting an increase in annual revenues of \$429,340, an  
26 approximate 160.96 percent increase in annual revenues over its 2007 annual  
27 revenues. **For residential customers with a 3/4 inch meter, the Company is**  
**proposing to increase the monthly minimum charge from \$18.75 to \$23.00. The**

28 <sup>2</sup> The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

Company is also proposing to increase its current commodity charges from \$1.60 per thousand gallons for all usage over 4,000 gallons, to a tiered structure as follows: \$2.90 per thousand gallons for usage up to 4,000 gallons, \$4.06 per thousand gallons for usage from 4,001 to 6,000 gallons, and \$5.68 per thousand gallons for all usage over 6,001 gallons.

If you have any questions concerning how the Company's rate proposal will affect your individual bill, or if you have other substantive questions about the rate application, you may contact the Company at: **[COMPANY INSERT HERE, IN BOLDFACE TYPE, NAME, ADDRESS, TELEPHONE NUMBER, AND E-MAIL ADDRESS FOR CUSTOMER CONTACTS CONCERNING THE APPLICATION].**

The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding the Company's rate increase proposal, and the Commission will determine the appropriate rate relief to be granted based on the evidence of record in this proceeding. The Commission is not bound by the proposals made by the Company, Staff, or any intervenors and, therefore, the final rates approved in this docket may be lower or higher than the rates described above.

#### **How You Can View or Obtain a Copy of the Rate Proposal**

Copies of the application and proposed tariffs are available at the Company's offices **[COMPANY INSERT ADDRESS]** and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona and on the internet via the Commission website ([www.azcc.gov/](http://www.azcc.gov/)) using the e-docket function.

#### **Public Hearing Information**

The Commission will hold a **hearing** on this matter beginning at **10:00 a.m. on August 31, 2009**, at the Commission's offices, 1200 West Washington Street, Room 100, Phoenix, Arizona.

Public comments will be taken at the beginning of the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. W-02273A-08-0251 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by email. For a form to use and instructions on how to e-mail comments to the Commission, go to [http://www.azcc.gov/divisions/utilities/forms/public\\_comment.pdf](http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf). If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or 602/542-4251.

#### **About Intervention**

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **May 29, 2009**, and provide a copy of the motion to the Company or its counsel and to all parties of record. Your motion must contain the following:

1. Your name, address, and telephone number and the name, address and telephone number of any party upon whom service of documents is to be made, if not yourself.

2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.).
3. A statement certifying that you have mailed a copy of the motion to intervene to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before May 29, 2009. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

**ADA/Equal Access Information**

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Shaylin Bernal, E-mail [Sbernal@azcc.gov](mailto:Sbernal@azcc.gov), voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that Ehrenberg Improvement Association shall **mail** to each of its customers a copy of the above notice by **March 31, 2009**, and shall cause the above notice to be **published at least once in a newspaper of general circulation in its service territory**, with publication to be completed no later than March 31, 2009.

IT IS FURTHER ORDERED that Ehrenberg Improvement Association shall file certification of mailing/publication as soon as practicable after the mailing/publication has been completed, but no later than **April 14, 2009**.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication of same, notwithstanding the failure of an individual customer to read or receive the notice.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules of the Arizona Supreme Court with respect to practice of law and admission pro hac vice.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the Rules of the Arizona Supreme Court). Representation before the Commission includes the obligation to appear at all hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled for discussion, unless counsel has previously been granted permission to withdraw by the Administrative Law Judge.

IT IS FURTHER ORDERED that the time periods specified herein shall not be extended pursuant to Rule 6(a) or (3) of the Rules of Civil Procedure.


IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this 24<sup>th</sup> day of February, 2009.

  
TEENA WOLFE  
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed  
this 24<sup>th</sup> day of February, 2009 to:

Paul Linker  
EHRENBURG IMPROVEMENT  
ASSOCIATION  
50078 Ehrenberg Parker Hwy, Suite 110  
Ehrenberg, Arizona 85334

By:   
Debbi Person  
Secretary to Teena Wolfe

Janice Alward, Chief Counsel  
Legal Division  
ARIZONA CORPORATION COMMISSION  
1200 W. Washington Street  
Phoenix, Arizona 85007

Ernest Johnson, Director  
Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 W. Washington Street  
Phoenix, Arizona 85007

ARIZONA REPORTING SERVICE, INC.  
2200 N. Central Avenue, Suite 502  
Phoenix, Arizona 85004-1481